# MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

| PART I: GENERAL INFORMATION   |  |  |  |  |
|---|--|--|--|--|
| Type of Requestor: (x) HCP () IE () IC                                | Response Timely Filed? (x) Yes () No   |  |  |  |
| Requestor's Name and Address<br>Vista Medical Center Hospital         | MDR Tracking No.: M4-03-7664-01  |  |  |  |
| 4301 Vista Road   | TWCC No.:  |  |  |  |
| Pasadena, Texas 77503   | Injured Employee's Name:   |  |  |  |
| Respondent's Name and Address<br>Insurance Company of the State of PA | Date of Injury:  |  |  |  |
| P O Box 13367   | Employer's Name:   |  |  |  |
| Austin, Texas 78711-3367  | In the second se |  |  |  |
| Box 19  | Insurance Carrier's No.:   |  |  |  |

#### PART II: SUMMARY OF DISPUTE AND FINDINGS

| Dates of Service |          | CDT C-1-() D               |                   |            |
|------------------|----------|----------------------------|-------------------|------------|
| From             | To       | CPT Code(s) or Description | Amount in Dispute | Amount Due |
| 07/11/02         | 07/19/02 | Surgical Admission         | \$49,604.46       | \$0.00     |
|                  |          |                            |                   |            |
|                  |          |                            |                   |            |
|                  |          |                            |                   |            |

## PART III: REQUESTOR'S POSITION SUMMARY

"In this instance, the audited charges that remained after the last bill review by the insurance carrier were \$118,593.53. The prior amounts paid by the carrier were \$36,609.44. Therefore, the carrier is required to reimburse the remainder of the Workers' Compensation Reimbursement Amount of \$49,604.46, plus interest."

### PART IV: RESPONDENT'S POSITION SUMMARY

Carrier's response was untimely.

## PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested additional reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services."

After reviewing the information provided by both parties, it does **not** appear that this particular admission involved "unusually extensive services." The operative report indicates that this was an anterior fusion from a posterior approach. The operative report also indicates the patient was sent to the recovery in good condition and no complications were noted in the operative report. Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem plus carve-out methodology described in the same rule.

The provider did not submit any invoices indicating the amount billed for the implantables. Therefore, MDR cannot determine the cost of the implantables and no reimbursement is recommended for the implantables.

The carrier made reimbursement for the 8-day stay in the amount of \$36,609.44. Based on a per diem reimbursement (8 day-stay x 1,118.00 = 8,944.00). Therefore, no additional reimbursement is recommended.

Therefore, based on the facts of this situation, the parties' positions, and the application of the provisions of Rule 134.401(c), we find that the health care provider is not entitled to additional reimbursement.

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|---|--|--|
| PART VI: COMMISSION DECISION  |  |  |
| not entitled to additional reimbursement.   | ealthcare services, the Medical Review Division  | on has determined that the requestor is  |
| Ordered by: Authorized Signature  | Michael Bucklin Typed Name   | 7,12.65<br>Date of Order   |
| PART VII: YOUR RIGHT TO REQUEST A   | HEARING  |  |
| days of your receipt of this decision (28 provider and placed in the Austin Represe after it was mailed and the first working da Administrative Code § 102.5(d)). A reque 17787 Austin, Texas 78744 or faxed to (5) The party appealing the Division's Decis involved in the dispute. | isagree with all or part of the Decision and has be received by the TWCC Chief Clerk of Proceed Texas Administrative Code § 148.3). This is centatives box on 11305. This Decision are after the date the Decision was placed in the lest for a hearing should be sent to: Chief Clerk (512) 804-4011. A copy of this Decision should be sent to: Sion shall deliver a copy of their written requision shall deliver a copy of their written requision shall deliver a copy of their written requisions. | edings/Appeals Clerk within 20 (twenty) Decision was mailed to the health care ion is deemed received by you five days a Austin Representative's box (28 Texas of Proceedings/Appeals Clerk, P.O. Box ld be attached to the request.  lest for a hearing to the opposing party |
| PART VIII: INSURANCE CARRIER DELIVE   | ERY CERTIFICATION  |  |
| hereby verify that I received a copy of th  | is Decision and Order in the Austin Represen   | atative's box.   |
| Signature of Insurance Carrier:   | PECEUVE  | Date:  |

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FLAHIVE, OGDEN & LATSON DIANNE TOWNSEND &F